



Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS) and Variable Energy Resource Balancing Service (VERBS) Version 2

Effective: 10/01/13

The **Balancing Service Election**¹ for **Dispatchable Energy Resource**² Balancing Service (DERBS), and Variable Energy Resource Balancing Service (**VERBS**³) Business Practice, Version 2, has been modified to reflect that VERBS customers will have the opportunity to make a Balancing Service election mid-rate period to change their scheduling and service elections for the **FY**⁴ 2014 - 2015 rate period.

The Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS), and Variable Energy Resource Balancing Service (VERBS) Business Practice applies to the Dispatchable and Variable resources operating in the BPA Balancing Authority Area. This implements the requirements for Dispatchable and Variable Energy Resources to make their elections for receiving **Balancing Services**⁵ from BPA for the FY 2014 - 2015 rate period.

BPA is implementing staged customer elections by having customers elect their scheduling commitments on April 5, 2013 but allowing customers to elect their level of service on July 1, 2013. This election schedule provides sufficient scheduling information to set reserve levels for the FCRPS, and to identify a potential need to acquire Type 1 and Type 2 level reserves over the rate period. It also allows time to more fully define “Full Service,” and “Enhanced **Supplemental Service**⁶” (ESS) to help customers make an informed service level election.

¹Written notification from a VER Customer to: (1) take all components of VERBS from BPA; (2) self-supply the imbalance component of VERBS; or (3) move the output of the variable energy resource to another balancing authority area.

²Any non-federal thermally-based generating resource 3 MW or greater that schedules its output or is included in BPA’s Automatic Generation Control system. This includes generation behind the meter where a generation estimate is used as the resource schedule.

³“Variable Energy Resource Balancing Service,” as described in the ACS-12 rate schedule and General Rate Schedule Provisions. Also referred to as “Wind Balancing Service” in the ACS-10 rate schedule.

⁴Fiscal Year - October - September

⁵Regulation Reserves, Following Reserves, and Imbalance Reserves as those terms are described in BPA’s Rate Schedules.

⁶A service through which a customer may reduce its exposure to a DSO 216 event by making available a Supplemental Service Resource acquired by a customer or by BPA that would be deployed by BPA during a DSO 216 event thereby reducing the amount by which the energy profile of the e-Tag for a Wind Facility or other Variable Energy Resource would be reduced when BPA initiates a wind e-Tag curtailment or when BPA initiates a wind limit event to address an over-generation condition.

The Service Election form to identify a Balancing Service Election is located under Forms.

Specific changes to Version 2 include:

Section A:

- Deleted Steps A.3 and A.4

Section B: Added Section B

Section F: Added Section F

A. Election Date

1. Each Dispatchable Energy Resource(DER) **Customer**¹ in the BPA Balancing Authority Area must either purchase DERBS from BPA or make a Balancing Service Election to Self Supply comparable service for the FY 2014 - 2015 rate period by **Close of Business**² on April 5, 2013. This entails the Customer's election to:
 - a. Take DERBS, or
 - b. Self Supply balancing reserves, or
 - c. Dynamically transfer a Generating Facility out of BPA's Balancing Authority
2. Each VER Customer must make a Balancing Service Election for the FY 2014 - 2015 rate period by Close of Business on April 5, 2013. This entails the Customer's election to:
 - a. Take VERBS, and
 - b. Choose a scheduling paradigm (uncommitted, 30/30, or 30/60), or
 - c. Self Supply generation imbalance reserve capacity or all components of VERBS, or
 - d. Participate in BPA's Customer Supplied Generation Imbalance program, or
 - e. Dynamically transfer a Generating Facility out of BPA's Balancing Authority.
3. Except as provided in the ACS-14 rate schedule, a DER Customer that fails to make a Balancing Service Election pursuant to this Business Practice will be assumed to not be Self Supplying Balancing Resources and will be subject to the ACS-14 rate schedule for DERBS during the FY 2014 - 2015 rate period.
4. Except as provided in the ACS-14 rate schedule, a VER Customer that fails to make a Balancing Service Election pursuant to this Business Practice will be subject to ACS-14 rate schedule for VERBS uncommitted scheduling during the FY 2014 - 2015 rate period.

B. Eligibility Criteria for VERBS Full Service and Supplemental Service

1. VER Customers that elect a committed scheduling paradigm may also elect to participate in Full Service. The first opportunity to elect Full Service is by Close of Business on July 1, 2013. A VER Customer that elects to participate in Full Service at some time during the FY 2014 - 2015 rate period must meet the eligibility criteria set forth in the "Election of Full Service For Wind Resources" business practice.
2. VER Customers that elect to participate in Supplemental Service at some time during the FY 2014 - 2015 rate period must meet the eligibility criteria set forth in the "Supplemental Service" business practice.

¹Any customer taking service under Use of Facilities (UFT), Formula Power Transmission (FPT), Integration of Resources (IR), Part II or Part III of the OATT.

²5:00 p.m. Pacific Prevailing Time

3. Parties that elect to Self Supply **Balancing Reserves**¹ or dynamically transfer out of the BPA Balancing Authority Area will not be eligible to take Full Service or Supplemental Service.

C. Eligibility Criteria for Self-Supply of VERBS and DERBS

1. A VER Customer that elects to Self-Supply balancing reserves or generation imbalance balancing reserves for the FY 2014 - 2015 rate period must meet the eligibility criteria set forth in the Self Supply of Balancing Reserves Business Practice or the Customer Supplied Generation Imbalance Business Practice.
2. A DER Customer that elects to Self-Supply balancing reserves for the FY 2014 - 2015 rate period must meet the eligibility criteria set forth in the Self Supply of Balancing Reserves Business Practice.

D. Eligibility Criteria for Dynamic Transfer Out of the BPA Balancing Authority Area

1. A DER or VER Customer that is subject to the DERBS or VERBS rate in the ACS-14 rate schedule on October 1, 2013, that expects to dynamically transfer the output of its Generating Facility to another Balancing Authority Area on or after October 1, 2013, must satisfy the eligibility requirements of the [Dynamic Transfer Operating & Scheduling Requirements Business Practice](#) prior to implementing the dynamic transfer.

E. Submitting a Balancing Service Election

1. DER Customers:
 - a. A DER Customer must submit Balancing Service Elections for each Generating Facility for which the Customer desires service via e-mail to their Transmission Account Executive. The following information must be included in the communication:
 - i. Name of the Generating Facility.
 - ii. Nameplate Generating Facility Capacity of installed generation.
 - iii. For a new dispatchable resource electing to Self-Supply, state the expected effective date Self-Supply will begin. Existing DERs must elect to Self Supply balancing reserves by April 5, 2013 for the FY 2014-2015 rate period.

¹Reserves that compensate for any of the following: (i) moment-to-moment differences between generation and load; (ii) larger differences occurring over longer periods of time during the hour; and (iii) differences between a generator's schedule and the actual generation during an hour.

- iv. If electing to move a Generating Facility out of the BPA Balancing Authority Area, provide the expected effective date of the move.
- v. If not currently interconnected to BPA's Transmission system, provide the Generator Interconnection Request Queue Number of the Generating Facility and the expected date of commercial operation.

2. VER Customers:

- a. A VER Customer must submit Balancing Service Elections for each Generating Facility for which the Customer desires service via e-mail to their Transmission Account Executive. Please include the following information in the communication:
 - i. Name of the Generating Facility.
 - ii. Nameplate Generating Facility Capacity of installed generation.
 - iii. The scheduling election for each Generating Facility (Committed 30/30, Committed 30/60, or Uncommitted).
 - iv. For a new VER electing to Self-Supply generation imbalance reserve capacity or all components of VERBS, state the expected effective date Self-Supply will begin. Existing VERs must elect to Self-Supply balancing reserves by April 5, 2013 for the FY 2014-2015 rate period.
 - v. If electing to move a Generating Facility out of the BPA Balancing Authority Area, provide the expected effective date of the move.
 - vi. If not currently interconnected to BPA's transmission system, provide the Generator Interconnection Request Queue Number of the Generating Facility and the expected date of commercial operation.

F. Mid-Rate Period Elections

- 1. VERBS customers will have the opportunity to make a mid-Rate Period Balancing Service Election to change their scheduling and service elections. This requires the Customer's election of:
 - a. A superior scheduling commitment, or
 - b. Self Supply of balancing reserves, or
 - c. Dynamically transfer a Generating Facility out of BPA's Balancing Authority, or
 - d. Participation in Customer Supplied Generation Imbalance ("CSGI").

2. Only 1550 MW of generation (nameplate) will be allowed to change election mid-rate period, which will be offered on a first-come first-serve basis.
 - a. The expansion of self-supply, including the CSGI program, and DTC will be limited to a total of 600 MW and will count towards the 1550 MW cap on election changes.
3. The notification deadline to change scheduling and service elections will be April 4, 2014
 - a. The Mid-Rate Balancing Service Elections form is located under Forms.
 - b. To make a mid-Rate Period election, a VER Customer must submit the Balancing Service Elections form via e-mail to techforum@bpa.gov, which will date and time-stamp the receipt of the request.
4. The effective date of the election change will be October 1, 2014.

G. Additional Information

Policy References

- [BPA Open Access Transmission Tariff \(OATT\)](#), Attachment L (LGIA) and N (SGIA)
- [BPA Ancillary and Control Area Services Rate Schedule](#)

Forms

- [Mid-Rate Period Service Election](#)

Related Business Practices

- Committed Scheduling for the 2014-2015 Rate Period
- Self Supply of Balancing Reserves (in development)
- Dispatchable Energy Resource Balancing Service (DERBS)
- [Dynamic Transfer Capability](#)¹: Requesting & Awarding Access

¹The capability of the transmission system to accommodate continuous ramping of a resource (s) over a pre-determined range, such that the control of the electrical output of such resources(s) can be varied from moment to moment by an entity other than the host utility/host Balancing Authority Area operator.

- **Dynamic Transfer**¹ Operating & Scheduling Requirements
- Failure to Comply
- Redispatch and Curtailment
- Election of Full Service for Wind Resources
- Supplement Service

Version History

Version 2	<p>10/01/13 The Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS), and Variable Energy Resource Balancing Service (VERBS) Business Practice, Version 2, has been modified to reflect that VERBS customers will have the opportunity to make a Balancing Service election mid-rate period to change their scheduling and service elections for the FY 2014 - 2015 rate period. Specific changes to Version 2 include:</p> <p>Section A:</p> <ul style="list-style-type: none">• Deleted Steps A.3 and A.4 <p>Section B: Added Section B</p> <p>Section F: Added Section F</p>
Version 1	<p>04/05/13 New Business Practice. The Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS), and Variable Energy Resource Balancing Service (VERBS) Business Practice applies to the Dispatchable and Variable resources operating in the BPA Balancing Authority Area. This implements the requirements for Dispatchable and Variable Energy Resources to make their elections for receiving Balancing Services from BPA for the FY 2014</p>

¹A term that refers to methods by which the control response to load or generation is assigned, on a real-time basis from the Balancing Authority to which such load or generation is electrically interconnected (native Balancing Authority) to another Balancing Authority (attaining Balancing Authority) or other controlling entity on a real-time basis. This includes Pseudo-Ties, Dynamic Schedules, and dynamic arrangements within the BPA Balancing Authority Area.

- 2015 rate period. Although the BPA Administrator has not yet made a final decision regarding aspects of DERBS and VERBS rates for this upcoming rate period, BPA will need the information as part of BPA's forecast of balancing reserve capacity requirements to price reserves, and to make a final rates decision for the rate period.

BPA is implementing staged customer elections by having customers elect their scheduling commitments on April 12, 2013 but allowing customers to elect their level of service on July 1, 2013. This election schedule provides sufficient scheduling information to set reserve levels for the FCRPS, and to identify a potential need to acquire Type 1 and Type 2 level reserves over the rate period. It also allows time to more fully define "Full Service," and "Enhanced Supplemental Service" (ESS) to help customers make an informed service level election.

As of April 12, 2013, the Administrator has not yet made a final decision regarding the proposed ACS-14 rate schedule. To the extent the Administrator's final decision regarding the proposed ACS-14 rate schedule conflicts with any term in this Business Practice, the final ACS-14 rate schedule will govern and, if so, this Business Practice will be updated accordingly.

Note: The Balancing Service Election for Variable Energy Resources Balancing Service (VERBS) Business Practice implements the requirement that **Variable Energy Resource (VER)**¹ Customers make a Balancing Service Election for the FY 2012 - 2013 rate period which ends September 30, 2013.

¹An electric generating facility that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator. This includes, for example, wind, solar thermal and photovoltaic, and hydrokinetic generating facilities. This does not include, for example, hydroelectric, biomass, or process steam generating facilities.